TO: Senator Steve Cassano, Co-Chairman

Representative Ed Jutila, Co-Chairman

Members of the Government Administration and Elections Committee

FROM: Alex Taubes, Student, Yale Law School

DATE: February 11, 2015

RE: Public Financing in Municipal Elections

## **RECOMMENDATION: SUPPORT HB 6749 and HB 6745**

Senator Cassano, Representative Jutila, and Members of the Government Administration and Elections Committee:

My name is Alex Taubes. I am a third-year law student at Yale testifying on behalf of Common Cause Connecticut. I support House Bill 6749 because local public financing strengthens our democracy by increasing civic participation and making elections more competitive. I also support House Bill 6745, because even without public financing we need more transparency in Connecticut municipal elections.

The benefits of local public financing have been shown here in Connecticut and across the country:

 Local public financing encourages more small donors to participate in the political process.

Local public financing creates more competition by encouraging more candidates with grassroots support to run for office.

As a candidate in the 2014 election who participated in the Citizen Election Program, I witnessed how public financing transforms the political process. Unlike in Washington, where politicians spend so much time catering to wealthy donors who live outside of their districts, legislative candidates in both parties in Connecticut reach out to their own communities for small donations by participating in the Citizen Election Program. Without the CEP, I would not have been able to challenge my incumbent State Rep by running for office.

The Citizen Election Program has been a bipartisan success. In its first election, over three-quarters of all candidates participated, far more participation than other states trying out public financing for the first time. Since 2008, participation in the CEP has increased: about 84% of all winning candidates used the program in the 2014 election. My Republican opponent, who won the election, also used the Citizen Election Program.

<sup>1</sup> Institute for Local Self-Reliance, <u>Campaign Finance Reform in Connecticut</u> (Dec 1 2008), http://ilsr.org/rule/campaign/2176-2/.

<sup>&</sup>lt;sup>2</sup> PUBLIC CAMPAIGN, Citizens' Election Program Remains Strong in Connecticut (Nov 5 2014), <a href="http://www.publicampaign.org/blog/2014/11/05/connecticut-public-financing-winners">http://www.publicampaign.org/blog/2014/11/05/connecticut-public-financing-winners</a>.

The table below, created by Public Campaign, demonstrates how winning candidates of both parties used the CEP in their 2014 campaigns:

Connecticut	s 2014 General E Elections Partic		and Citizens'
Office Sought	Winners Among Program Participants	Total Winners	% Participating
Democrat	100	114	87.72%
Republican	62	79	78.48%
Grand Total	162	193	83.94%

My research as an advocate for Common Cause has confirmed that Connecticut's experience in statewide elections translates to local elections. Large political contributions are an opportunity for out-of-town interests—like developers—to influence municipal officials. Public campaign financing empowers candidates to fundraise from their own community.

New Haven's public financing system, the first in Connecticut, has successfully encouraged more candidates to run for office and more candidates to collect small donations from within their communities. In the 2011 and 2013 elections, the New Haven Democracy Fund helped provide seed funds for mayoral candidates who otherwise would not have had a chance to compete. Although none of the candidates were ultimately victorious – like yours truly in 2014 – each candidate made the elections more competitive and, thanks to the Democracy Fund, made small donors a central part of their strategy.

New Haven's Democracy Fund has embraced an approach that combines elements of New York City's "public matching" system and Connecticut's Citizens Election Program. In addition to receiving a grant after receiving a threshold number of in-district small donations, candidates receive a 2-1 match for all contributions up to \$25, with a maximum \$50 match for contributions of \$25 or more.

The public-match system encourages candidates to continue their outreach to small donors. Candidates Justin Elicker and Kermit Carolina in the 2013 Democratic Party primary continued to receive matching funds after receiving their initial grant—\$31,710 in total.<sup>5</sup> None of the contributions triggering matching funds exceeded \$370.<sup>6</sup> This

 $6 \frac{\underline{\text{Id.}}}{\underline{\text{Id.}}}$ 

<sup>&</sup>lt;sup>4</sup> New Haven Democracy Fund, CITY OF NEW HAVEN, http://www.cityofnewhaven.com/Government/DemocracyFund.asp.

committee should consider incorporating features of this successful match system into the Citizen Election Program.

To be sure, the winning candidates in the last two New Haven mayoral campaigns have been nonparticipating candidates. But that is no reason to give up on local public financing. As described above, participation rates in the CEP have increased over time as candidates and voters alike have seen the value of campaigns that rely on small donors. As more towns and cities in Connecticut adopt public financing systems, with this committee's help, more candidates and small donors will participate—leading to more competition and less corruption in our state's cities.

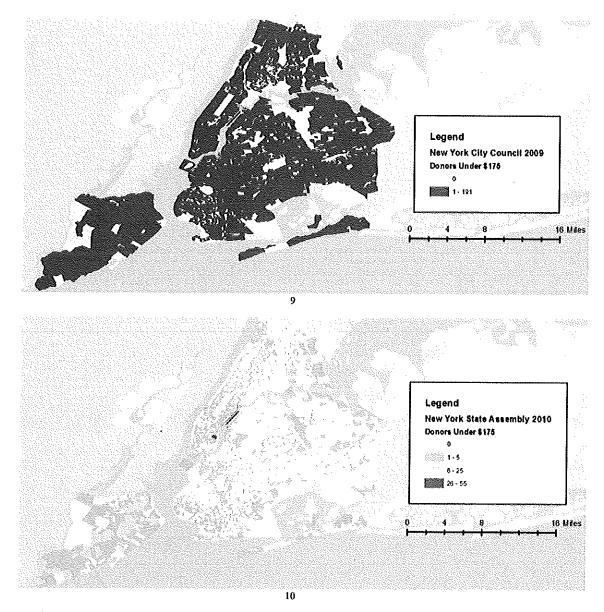
Public campaign financing has also been shown to diversify the donors to political campaigns. The Brennan Center for Justice at NYU Law School and the Campaign Finance Institute recently analyzed data on campaign contributions in New York City to state and municipal candidates to test whether public financing in city elections lead to a more diverse donor base than privately financed state elections. The results were stark:

- Campaign contributions to state legislative campaigns came from only 30 percent of New York City's census block groups; but 90 percent of New York City's census block groups had contributors to publicly financed City Council campaigns.<sup>7</sup>
- The numbers speak for themselves: "Twenty-four times more small donors from the poor and predominately black Bedford-Stuyvesant neighborhood and the surrounding communities gave money to candidates for the City Council than for the State Assembly. For Chinatown the advantage was 23 to 1. In the heavily Latino neighborhoods of Upper Manhattan and the Bronx, it was 12 to 1."

Two maps on the next page illustrate the report's results. The maps show census block groups containing small donors to publicly financed New York City Council and privately financed New York State Assembly elections, respectively:

<sup>&</sup>lt;sup>7</sup> Elisabeth Genn, Sudeep Iyer, Michael J. Malbin, and Brendan Glavin, <u>Donor Diversity Through Public Matching Funds</u>, Brennan Center for Justice at New York University School of Law (<u>www.brennancenter.org</u>) and Campaign Finance Institute (<u>www.cfinst.org</u>) (2012), page 4, <u>available at http://bit.ly/donordiversity</u>.

8 <u>Id.</u>, at page 4.



As the report acknowledges, one cannot draw conclusions from one set of elections. We cannot measure whether the same effect is playing out in Connecticut elections, however, because local campaign finance records are not easily available. Since many towns do not use SEEC e-filing for their town elections, collecting the data for Connecticut's 169 municipalities would require countless trips to local town clerk offices to gather information. HB 6745 would help solve this problem by providing more towns with the opportunity to use this convenient and transparent method of disclosure.

Thank you for the opportunity to testify. I am willing to answer any of your questions.

<sup>&</sup>lt;sup>9</sup> <u>Id.</u>, at page 12, fig. 4, available at <a href="http://bit.ly/donordiversity.">http://bit.ly/donordiversity</a>.

10 <u>Id.</u>, at page 12, fig 5, available at <a href="http://bit.ly/donordiversity">http://bit.ly/donordiversity</a>.